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                    METHOD AND SYSTEM FOR DISTRIBUTING DIGITAL WORKS
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   NetPack Inc,   ) Application Number: 09/607,202
7   )
   Frank Jakubaitis, Inventor,   ) Examiner: MR. ROBERT M POND
8   )
   Response to office action # 1   ) 09/607,202
9   )
   Consisting of 10 pages   )   FAX RECEIVED
10   )
   Mailed Date: 11-20-02   )   FEB 2 0 2003
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   United States First Class Certified)
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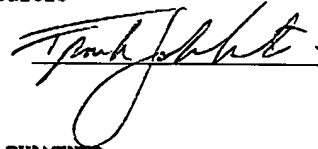
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                    METHOD AND SYSTEM FOR DISTRIBUTING DIGITAL WORKS
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   The inventor hereby responds to examiner Mr. Robert M. Pond in reference to
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   the above captioned matter and offers a clarification of the Invention and
19
   Process, submitted in hopefully a much more articulate fashion, thereby
20
   eliminating and/or removing any question as to the intent and/or process.
21
   The Inventor, Frank Jakubaitis, further authorizes the examiner Robert M.
22
   Pond to communicate directly with the Inventor Frank Jakubaitis in this
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   matter, from this day forward, until such time as the examiner receives
24
   written notice to change or modify this arrangement.
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Dated this 18th day of February
Respectfully Submitted:

Frank Jakubaitis

RESPONSE AND CLARIFICATION TO EXAMINER

The Following Patents Are Cited By The Examiner As A Basis For The Denial Of The Applicants Claims 1-14 inclusive under 35 USC 102

(A) THE EXAMINER CITES PATENT: 6, 467, 684, B2 FITE AS ANTICIPATED
In the above stated patent, the invention specifically limits itself to pre-paid cards that have a specific value in currency and are non-specific as to a particular product, i.e., Book title, Music title, or video title. This patent is also second in time, second to the inventor's right as the inventor's press releases were released one year prior to the filing of the aforementioned patent.

The examiner should also take note that prepaid generic gift cards, with a specific value (as in the Fite patent), have been in the public domain and quite obvious in excess of the past 10 years. Moreover, the patent as described, holds out specifically that the cards are of a generic nature, a one time use, and have some form of identifying number and/or magnetic strip, which if relied on by the examiner to reject the inventor's claims would put each of the examples presented by the examiner in conflict and infringement with the others.

As such, these patents would create confusion and chaos. This patent lacks specificity, and for the reasons above, on its face, does not conflict or collide in any manner with the applicant's unique invention. To the next level, the Fite patent actually takes advantage of the inventor's earlier press release in 1998, as the Fite applicant resides in the same state as the inventor.

Argument:
For this single reason and others stated, the inventor's application does not cause any confusion, nor is the inventor's application to be denied in whole or part under the authority of 35 USC 102 as stated by the examiner.

(B) THE EXAMINER CITES PATENT: Kupka, et-al US 6,434,535, BI
In the above-cited patent, Figure 1 clearly shows a floppy media disc as the starting point for the client or purchaser of the service or product item # 28.

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Detailed Description Of The Preferred Embodiments: Kupka, et-al US 6,434,535, BI More Specifically

Paragraph 2, Line one and two state: Customers purchase the removable media. Item 28: Thus the drawing shows a floppy disc for input and verification.

Argument:

The inventor's application does not use nor require any removable media at the point-of-sale, or otherwise, to activate its process. See applicant's expanded explanation. For this single reason and this reason alone, the inventors application does not cause any confusion, nor is the inventors application to be denied in whole or part under the authority of 35 USC 102 as stated by the examiner. Please see applicant's embodiments.

(C) THE EXAMINER CITES PATENT: Detailed Description Of The Preferred Embodiments-Gotfried 6,076,076 Section 1

Section 1 clearly limits itself to printed material as in the generic term, and makes no reference to electronic books, digital music. Moreover, the aforementioned patent may be in conflict with Kupka (supra) since it may use a floppy disc or card showing a specific dollar value.

Argument

The inventor's application is not limited to a specific dollar value and is not utilizing another media such as a floppy disc to validate the process. Moreover, the inventor's application makes no claim as being able to re-use the input validation process media for another purchase. For this single reason and others, i.e., limited to print services contained in the patent itself, the inventors application does not cause any confusion, nor is the inventor's application to be denied in whole or part under the authority of 35 USC 102 as stated by the examiner.

(D) THE EXAMINER CITES PATENT: Detailed Description Of The Preferred Embodiments-Fiala 5, 918,909

In Fiala, this patent shows only a basic architectural drawing for a method to house prepaid type cards that allow for the external verification and/or validation of magnetically encoded cards. The inventor's application shows no such architecture nor depends on such architecture and/or housing.

Argument:

For this single reason and this reason alone, the inventors application does not cause any confusion, nor is the inventors application to be denied in whole or part under the authority of 35 USC 102 as stated by the examiner. Pleas see applicant's embodiments.

(E) THE EXAMINER CITES PATENT: Detailed Description Of The Preferred Embodiments-Hasebe et-al 5,761,651

In Hasebe, this patent shows a system that is totally unrelated to the inventor's application. The system shown is a counter and/or generic decoder

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1 without any apparent specific validation, and makes no specific claim to its
   application and/or use at the point-of-sale or otherwise.
2
   Argument:
3 For this single reason and others stated, the inventor's application does not
   cause any confusion, nor is the inventor's application to be denied in whole
4 or part under the authority of 35 USC 102 as stated by the examiner. Please
   see applicant's embodiments.
5

6 **(F) THE EXAMINER CITES PATENT: Detailed Description Of The Preferred
   Embodiments- Williams 5, 740,915**
7 In Williams, this patent shows only a basic architectural drawing for a
   method to house prepaid type cards that allow for the external verification
8 and/or validation of magnetically encoded cards such as credit cards. The
   inventor's application shows no such architecture nor depends on such
9 architecture and/or housing.

10 **Argument:**
   For this single reason and others stated, the inventor's application does not
11 cause any confusion, nor is the inventor's application to be denied in whole
   or part under the authority of 35 USC 102 as stated by the examiner. Please
12 see applicant's embodiments.

13   **Conclusion:**

14 In conclusion the examiner has included a newspaper item press release from
   Digital Equipment Corporation dated 1995:"Service in a Box" as a potential
15 conflict. The method pertains to a telephone call-in system, which does not
   include an on-line validation process, digital delivery, or digital rights
16 management system. Thus for this reason among others the inventor's
   application and claims should not be denied on this basis and/or under the
17 authority of 35 USC 102 as stated by the examiner.

18
   **(G) THE EXAMINER CITES PATENT: Detailed Description Of The Preferred
19 Embodiments 5.715,403 Stefik**
   In Stefik, this patent describes an encryption system method and makes no
20 mention of prepaid services at the POS and/or processing the same, in the
   fashion as described in the inventor's application.
21
   Argument:
22 For this single reason and the lack of specificity of the examiner's comments
   and others stated, the inventor's application does not cause any confusion,
23 nor is the inventor's application to be denied in whole or part under the
   authority of 35 USC 102 as stated by the examiner. Please see applicant's
24 embodiments.

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METHOD AND SYSTEM FOR DISTRIBUTING DIGITAL WORKS

CLARIFICATION ABSTRACT

The NetPackage is described as a retail point-of-sale DVD type packaging container that displays a specific set of artwork, lettering, or photographs on the outside front, back, and spine that represents industry specific products such as single or multiple ebooks, audio books, videos and/or access to such material. The NetPackage does not use a disc, CD or DVD for validation or digital rights management. **(See drawing number 3)**

(See drawing #4) The NetPackage contains a standard size CR-80 ISO access card mounted inside, whereby the face of the card displays a set of pre-generated numbers with a matching bar code, and/or magnetic strip. The purchase value is determined by the vendor's resale price on the material being offered and **is not** preset, nor are the values predetermined per se as in other methods primarily used as gift cards. To use or access the purchased material that the netpackage represents, one must have a custom designed NetPackage browser, a PC, keyboard, mouse, monitor, or other similar accoutrements, and access to the Internet

SEQUENCE OF OPERATION

A potential user or purchaser of a NetPackage is directed to a particular clients web site, or location, by the instructions on the rear of the access card. **(Drawing #4)** Accessing digital material using the NetPackage method is achieved through the custom NetPackage browsers only. **(Drawing #3)**

The custom browsers **(See Drawing Number #2)** may have built in MP-3 players, video replay features but does not allow the user to browse the Internet IN A FREE STYLE FASHION. The purpose of the browser is for custom digital product access as described. In addition to any or all other necessary browser controls and/or accessories, the browser will have three independent buttons. One button will be for the re-call of the original validation window and the other two will be assigned the value of Media 1 and Media 2 which are ultimately tethered to a server port for special live events and or targeted advertisement toward a particular user group as programmed from a remote server. **(See Drawing #2A)**

A NetPackage custom browser can be acquired and/or stored or delivered in an embedded HTML fashion on a potential clients web site or server and the NetPack logo is simply used as an identifying link. **(See Drawing #1 item 1)**.

When the identifying logo is pressed **(See drawing #1)** the link will give the user a choice on the users computer to:

(1) Open the browser from its present location or, **(See Drawing #1 item 2)**.
(2) Download the browser to the users designated computer folder.

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Note:
The browser may not contain a data base at this time but is not limited to such and may in the future incorporate an on board data base. The browser only houses the necessary functions and/or controls for ancillary functions and calling ASP page functions and making data base inquiries. The browser will be initially compatible with MSIE only and later adapted to Netscape and others.

When the browsers launch or the user presses open button, the browser will:

    (1) Automatically send its unique identifying number to a host server and locate its master group number. **(See drawing 1 item 2A)**

    (2) Subsequently open a browser window within the custom browser and display the ASP validation page for the access card. **(See drawing number 1 item 2)**

    (3) **(See Drawing #1 item 2)** The validation page will state in a simple manner as how to validate the access card number. If the user has a bar code scanner the cursor may be placed in the asp validation field page of the custom browser and the bar code scanner may be scanned over the access card bar code graphic and the validation process will automatically allow the user access. The same procedure may be used with a magnetic wedge keyboard adapter. When neither a bar code scanner or keyboard wedge is available, the cards number may be typed in the validation field and a button so marked submit will begin the validation process.

    (4) **(See drawing #1 item 3)** After the validation process reconciles the data base requirements for access, (see drawing #1 ASP) it will automatically transfer the user to a page designated the content information module. The content information module will display the material's author, format and any other relevant copyright information. The content information will have a continue button located within the module whereby the user can activate and continue to the next module, the registration module.

    (5) **(See drawing #1 item 4)** The registration module consists of a non-mandatory solicitation for the users: Name, e-mail, City and State. The module will post a short tutorial as to how the user may circumvent the registration process if they so desire and continue to the next module. All the transaction will be server side transactions. The user will then press a proceed button to advance to the content control module.

    (6) **(See drawing number 1 item 5)** The final module in the process is the content control module. The content control module is capable of delivering from 1-100 different programs and/or any combination of music, audio books, or videos. The individual selective buttons displayed in a column fashion representing either side one or side two of audio book formats, tape programs, lit files and or ebx e-books. The user then may press any button that they wish to have a specific digital product available for download to their PC.

Enclosures: Four drawings

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